
Emergency Rules

Title 15—ELECTED OFFICIALS Division 40—State Auditor Chapter 3—Rules Applying to Political Subdivisions

EMERGENCY RULE

15 CSR 40-3.160 Calculation and Revision of Property Tax Rates by Political Subdivisions Other Than School Districts that Calculate a Single Property Tax Rate Applied to All Property

PURPOSE: This rule applies to political subdivisions other than school districts that calculate a single property tax rate applied to all property and is designed to implement section 137.073, RSMo as it applies to calculating and revising property tax rates.

*EMERGENCY STATEMENT: Senate Bill No. 960, 92nd General Assembly (2004) amended section 173.073.6, RSMo, to require that all forms for the calculation of property tax rates pursuant to this section shall be promulgated and not incorporated by reference. The new law became effective on August 28, 2004. The state auditor was required to promulgate rules within thirty (30) days of the effective date. The Missouri State Auditor's Office finds a compelling governmental interest in establishing an early effective date for this emergency rule in order to implement the statutory requirements of section 137.073, RSMo as enacted by Senate Bill No. 960, 92nd General Assembly—2004 amending section 137.073.6, RSMo with regard to procedures for calculating and revising property tax rates. This emergency rule sets forth the formulas to be used in calculating various property tax rates. The forms with instructions have been adopted and approved for use by the school districts or political subdivisions other than school districts to calculate property tax rates. These forms should be used to compute and substantiate the annual tax rate ceiling(s) pursuant to requirements of the *Missouri Constitution* Article X, Section 22 and section 137.073, RSMo. Under the old rule the formulas were incorporated by reference. The scope of this emergency rule is limited to the circumstances creating an emergency and requiring emergency action. The state auditor believes this emergency rule is fair to all interested persons and parties under the circumstances. This rule filed September 24, 2004, effective October 4, 2004, expires April 1, 2005.*

(1) The following forms with instructions, included herein, have been adopted and approved for use by the political subdivisions other than school districts to calculate a single property tax rate for all property. These forms should be used to compute and substantiate the annual tax rate ceiling(s) pursuant to requirements of the *Missouri Constitution* Article X, Section 22 and section 137.073, RSMo:

- (A) Tax Rate Summary Page;
- (B) Form A Computation of Reassessment Growth and Rate for Compliance with Article X, Section 22, *Missouri Constitution* and section 137.073, RSMo;
- (C) Form B New Voter Approved Tax Rate or Tax Rate Increase;
- (D) Form C Debt Service Calculation for General Obligation Bonds Paid for with Property Taxes;
- (E) Form G Initial Calculation of Allowed Recoupment and Calculation of First Year of Recoupment Taken; and
- (F) Form H Calculation of Second and/or Third Year of Recoupment Taken.

Emergency Rules

QUESTIONNAIRE - DATA SUBMITTED TO THE STATE AUDITOR'S OFFICE FOR REVIEW TAX RATE SUMMARY PAGE - FOR POLITICAL SUBDIVISIONS OTHER THAN SCHOOLS (2004)

(Name of Political Subdivision) _____ (Political Subdivision Code) _____ (Purpose of Levy) _____

The information to be shown on the Tax Rate Summary Page is either available from prior year forms, computed on the attached forms, or computed directly on the Tax Rate Summary Page.

- A. **Prior Year Tax Rate Ceiling** as defined in Chapter 137, RSMo.
Revised if the Prior Year Assessed Valuation Changed.
(Prior Year Tax Rate Summary Page, Line F) _____
- B. **Current Year Rate Computed Pursuant To Article X, Section 22**
of the Missouri Constitution and Section 137.073, RSMo. (Form A, Line 18) _____
- C1. **Tax Rate Ceiling at the Time of the Election (If Applicable)** _____
- C2. **Amount of Rate Increase Authorized By Voters**
(Form B, Line 2 if same purpose) _____
- D. **Total** [Line B (if no election) otherwise Line C1 + Line C2] _____
- E. **Maximum Authorized Levy**
[Greater of Prior Year Line E or Current Year Line D (if there was an election)] _____
- F. **Current Year Tax Rate Ceiling** (Lower of Line D or E)
Maximum legal rate to comply with Missouri laws. _____
- G. **Less Required Sales Tax Reduction** (If Applicable) _____
- H. **Less Voluntary Reduction By Political Subdivision** _____
- I. **Plus Allowable Recoupment Rate** If Applicable (Attach Form G or H) _____
- J. **Tax Rate To Be Levied** Rate to be Certified MUST be \leq Line F
(Line F - Line G - Line H + Line I) _____
- AA. **Rate To Be Levied For Debt Service** If Applicable
(Form C, Line 10) _____
- BB. **Additional Special Purpose Rate Authorized By Voters**
After The Prior Year Tax Rates Were Set, If Applicable
(Form B, Line 2 if a different purpose) _____

CERTIFICATION

I, the undersigned, _____ (Office) of _____ (Political Subdivision)
levying a rate in _____ County(ies) do hereby certify that the data set forth above and
on the accompanying forms is true and accurate to the best of my knowledge and belief.

Please complete Lines G – BB, sign this form, and return to either the County Clerk(s) for final certification
or the State Auditor's Office for a math check.

(Print Name) _____ (Date) _____ (Signature) _____ (Telephone) _____

Proposed rate to be entered on tax books by County Clerk

Based on Certification from the Political Subdivision: Lines J _____ AA _____ BB _____

Section 137.073.7 RSMo, states that no tax rate shall be extended on the tax rolls by the county clerk unless the political subdivision has complied with the foregoing provisions of this section.

(County) _____ (County Clerk's Signature) _____ (Date) _____

Please submit only 1 copy directly to the State Auditor's Office – if you fax it, DON'T mail it and vice versa.

Emergency Rules

QUESTIONNAIRE - DATA SUBMITTED TO THE STATE AUDITOR'S OFFICE FOR REVIEW COMPUTATION OF REASSESSMENT GROWTH AND RATE FOR COMPLIANCE WITH ARTICLE X, SECTION 22 AND SECTION 137.073 RSMo

FORM A - FOR POLITICAL SUBDIVISIONS OTHER THAN SCHOOLS

(2004)

(Name of Political Subdivision) (Political Subdivision Code) (Purpose of Levy)

1. Current Year (2004) Assessed Valuation**

Include the current state and locally assessed valuation obtained from the County Clerk, County Assessor, or comparable office finalized by the local board of equalization.

(a) _____ + (b) _____ = _____
(Real Estate) (Personal) (Total)

2. Assessed Value of New Construction and Improvements**

2(a) - May be obtained from the County Clerk or County Assessor.

2(b) - Increase in personal property. Use the formula listed under Line 2(b).

(a) _____ + (b) _____ = _____
(Real Estate) Line 1(b) - 3(b) - 5(b) + 6(b) + 7(b) (Total)
If Line 2b is Negative, Enter Zero

3. Assessed Value of Newly Added Territory**

May be obtained from the County Clerk or County Assessor.

(a) _____ + (b) _____ = _____
(Real Estate) (Personal) (Total)

4. Adjusted Current Year Assessed Valuation

[Line 1 (Total) - Line 2 (Total) - Line 3 (Total)]

5. Prior Year (2003) Assessed Valuation**

Include the prior year state and locally assessed valuation obtained from the County Clerk, County Assessor, or comparable office finalized by the local board of equalization.

Note: If this is different than the amount on the 2003 Form A, Line 1,

then revise the 2003 tax rate form to re-calculate the 2003 tax rate ceiling.

Enter the revised 2003 tax rate ceiling on the 2004 Tax Rate Summary Page, Line A.

(a) _____ + (b) _____ = _____
(Real Estate) (Personal) (Total)

6. Assessed Value of Newly Separated Territory**

May be obtained from the County Clerk or County Assessor.

(a) _____ + (b) _____ = _____
(Real Estate) (Personal) (Total)

7. Assessed Value of Property Locally Assessed in Prior Year, but State Assessed in Current Year**

May be obtained from the County Clerk or County Assessor.

(a) _____ + (b) _____ = _____
(Real Estate) (Personal) (Total)

8. Adjusted Prior Year Assessed Valuation

[Line 5 (Total) - Line 6 (Total) - Line 7 (Total)]

**** - Mandatory Required Fields to Complete**

Continue to Form A, Page 2 of 3 for Computation of the Tax Rate.

HASH TOTAL (To be computed and used by the State)

Emergency Rules

QUESTIONNAIRE - DATA SUBMITTED TO THE STATE AUDITOR'S OFFICE FOR REVIEW COMPUTATION OF REASSESSMENT GROWTH AND RATE FOR COMPLIANCE WITH ARTICLE X, SECTION 22 AND SECTION 137.073 RSMo

FORM A - FOR POLITICAL SUBDIVISIONS OTHER THAN SCHOOLS

(2004)

(Name of Political Subdivision)	(Political Subdivision Code)	(Purpose of Levy)
.....		
9. Percentage Increase in Adjusted Valuation of existing property in the current year over the prior year's assessed valuation [(Line 4 - Line 8) / Line 8] x 100		_____ %
10. Increase in Consumer Price Index as certified by the State Tax Commission.		<u>2.3000</u> %
11. Adjusted Prior Year Assessed Valuation (Line 8) If Negative, Enter Zero		_____
12. Tax Rate Ceiling from Prior Year (2003) (Tax Rate Summary Page, Line A)		_____
13. Maximum Prior Year Adjusted Revenue Permitted from property that existed in both years. [(Line 11 x Line 12) / 100]		_____
14. Permitted Reassessment Revenue Growth <u>The percentage entered on Line 14 should be the lower of the</u> <u>actual growth (Line 9), the CPI (Line 10), or 5%.</u> A negative figure on Line 9 is treated as a zero for Line 14 purposes. Do not enter less than 0, nor more than 5%.		_____ %
15. Additional Reassessment Revenue Permitted (Line 13 x Line 14)		_____
16. Revenue Permitted in the Current Year from property that existed in both years (Line 13 + Line 15)		_____
17. Adjusted Current Year Assessed Valuation (Line 4) If Negative, Enter Zero		_____
18. Maximum Tax Rate Permitted by Article X, Section 22 and Section 137.073 RSMo. [(Line 16 / Line 17) x 100] Round a fraction to the nearest one/one hundredth of a cent. See the rounding worksheet Enter this rate on the Tax Rate Summary Page, Line B		_____

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* To compute the total property tax revenues BILLED for the current year (including revenues from all new construction and improvements and annexed property), multiply Line 1 by the rate on Line 22 and divide by 100. The property tax revenues BILLED would be used in estimating budgeted revenues.

Emergency Rules

**QUESTIONNAIRE - DATA SUBMITTED TO THE STATE AUDITOR'S OFFICE FOR REVIEW
NEW VOTER APPROVED TAX RATE OR TAX RATE INCREASE
FORM B - FOR POLITICAL SUBDIVISIONS OTHER THAN SCHOOLS (2004)**

(Name of Political Subdivision)

(Political Subdivision Code)

(Purpose of Levy)

**** - Mandatory Required Fields to Complete** (if there was a new voter approved tax rate or tax rate increase).

.....
Since the prior year tax rate computation, some political subdivisions may have held elections where voters approved an increase in an existing tax or approved a new tax. Form B is designed to document the election.

1.** **Date of election** _____

2.** **Amount of Increase Approved by Voters** (An "Increase of" or "Increase by")

Enter this rate on the Tax Rate Summary Page, Line C
(if this is an increase to an existing rate).

or

Enter this rate on the Tax Rate Summary Page, Line BB
(if it is a new rate or replaces a rate that has expired). _____

State Rate Approved by Voters (An "Increase to")

Enter this rate on the Tax Rate Summary Page, Line D and put
the difference between the Tax Rate Summary Page, Line C1 & the
Tax Rate Summary Page, Line D on the Tax Rate Summary Page, Line C
(if this is an increase to an existing rate).

OR

or

Enter this rate on the Tax Rate Summary Page, Line BB
(if it is a new rate or replaces a rate that has expired) _____

3.** **Ballot Language**

Attach a sample ballot or state proposition posed to the voters exactly as it appeared on the ballot.

4.** **Election results** _____

(Yes) (No)

5.** **Expiration Date**

Enter the last year the levy will be in effect, if applicable. _____

.....
HASH TOTAL (To be computed and used by the State) _____

Emergency Rules

QUESTIONNAIRE - DATA SUBMITTED TO THE STATE AUDITOR'S OFFICE FOR REVIEW DEBT SERVICE CALCULATION FOR GENERAL OBLIGATION BONDS PAID FOR WITH PROPERTY TAXES

FORM C - FOR POLITICAL SUBDIVISIONS OTHER THAN SCHOOLS (2004)

(Name of Political Subdivision)	(Political Subdivision Code)	(Purpose of Levy)
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.....
The tax rate for Debt Service will be considered valid if, after making the payment(s) for which the tax was levied, the bonds remain outstanding, and the debt fund reserves do not exceed the following year's payments.

Since property taxes are levied and collected on a calendar year basis (January – December), it is recommended that this levy be computed using calendar year data.

- 1.** **Total current year assessed valuation** obtained from the County Clerk or County Assessor. (Form A, Line 1 Total) _____
- 2.** **Amount required to pay debt service requirements during the next calendar year (January 2005 – December 2005).** Include the principal and interest payments due on outstanding general obligation bond issues plus anticipated fees of any transfer agent or paying agent. _____
- 3.** **Estimated costs of collection (collector fees and commissions and Assessment Fund withholdings) and anticipated delinquencies.** Experience in prior years is the best guide for estimating un-collectible taxes. (Usually 2% to 10% of Line 2 above) _____
- 4.** **Reasonable reserve up to one year's payment** - It is important that the Debt Service Fund have sufficient reserves to prevent any default on the bonds. This will include payments for January 2006 – December 2006. _____
5. **Total required for debt service** (Line 2 + Line 3 + Line 4) _____
- 6.** **Anticipated balance at end of current calendar year.** Show the anticipated bank balance at December 31, 2004 (account for any principal or interest due and estimated investment earning in the fund). _____
7. **Property tax revenue required for debt service** (Line 5 - Line 6) Any current balance in the fund available to meet the Debt Service requirements in the next calendar year is deducted from the total revenues required for Debt Service purposes. _____
8. **Computation of debt service tax rate** [(Line 7 / Line 1) x 100] Round a fraction to the nearest one/one hundredth of a cent. See the rounding worksheet. _____
9. **Less Voluntary Reduction By Political Subdivision** _____
10. **Actual rate to be levied for debt service purposes *** (Line 8 – Line 9) Enter this rate on the Tax Rate Summary Page, Line AA. _____

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* - The tax rate levied may be lower than the rate computed as long as adequate funds are available to service the debt requirements.

** - **Mandatory Required Fields to Complete**

HASH TOTAL (To be computed and used by the State) _____

Emergency Rules

FORM G - RECOUPMENT FORM FOR COMPLIANCE WITH SECTION 137.073.3(2)(a) and (b) FOR SCHOOL DISTRICTS NOT IMPLEMENTING SB960

(2004)

(Name of Political Subdivision)

(Political Subdivision Code)

(Purpose of Levy)

If assessments are reduced after tax rates are set and the reductions are due to decisions of the State Tax Commission or a judicial court or are due to clerical corrections, the existing tax rate ceiling may be revised to compensate for the changes described above. A political subdivision may document these changes by filing revised copies of each of the tax rate forms for each year that is affected. These changes should be clearly marked on the revised forms and a written explanation of the revised should be attached.

Before completion of this form, revisions are required to the prior year(s) tax rate forms to determine the revised assessed valuation and revised tax rate ceiling. Revised forms must be filed with the State Auditor before or at the time the recoupment form is filed. **See tab "Input Data" to update the tax rate computation for years 2003, 2002, and/or 2001 using this calculator. Otherwise, manually revise the tax rate computation for years 2003, 2002, and/or 2001.**

After making revisions, a political subdivision may be permitted to levy an additional tax for up to three years to recoup the revenues it was entitled to receive for the preceding one to three year period affected by the revisions. The steps below determine if a recoupment is permissible and document to what extent the political subdivision desires to recoup in the current year.

Start with the third prior year (if applicable) and work forward to the present.

To use this calculator, begin by entering the revised information into the "Input Data" tab. The updated information will flow into the applicable line items of the revised 2003, 2002, and 2001 tax rate forms, as well the Recoupment Form. The highlighted cells below must be completed. Print Tip - Select "entire workbook" if you wish to print all forms in one step.

Please provide a written explanation in the space below (or by attaching an explanation) as to why the political subdivision would be eligible for the recoupment process.

CERTIFICATION

I, the undersigned hereby do certify that the data set forth on the accompanying forms is true and accurate to the best of my knowledge and belief.

Name of Political Subdivision

(Telephone)

(Signature)

Political Subdivision Code

(Date)

(Print Name)

Purpose of Levy

Emergency Rules

FORM G - RECOUPMENT FORM FOR COMPLIANCE WITH SECTION 137.073.3(2)(a) and (b) FOR SCHOOL DISTRICTS NOT IMPLEMENTING SB960

(2004)

(Name of Political Subdivision)	(Political Subdivision Code)		(Purpose of Levy)
	2003	2002	2001
1. Revised State & Locally Assessed Valuation After the changes to 2003, 2002 &/or 2001 tax rate(s) have been made. (Revised Form A, Line 1 Total)			
2. Revised Tax Rate Ceiling After the revision to the assessed valuation was made. (Revised Tax Rate Summary Page, Line F)			
3. Permissible revised state and locally assessed tax revenue [(Line 1 x Line 2)/100] Line 3 Rounded			
4. Revised state and locally assessed valuation (Form G, Line 1 Total)			
5. Original tax rate ceiling (Certified)			
6. Total state and locally assessed tax revenue [(Line 4 x Line 5)/100] Line 6 Rounded			
Determination of Recoupment Rate - Enter information into the highlighted cells.			
7. Total Revenue Loss (Total of Line 6). Recoupment is not allowed if cell is negative.			
8. Revenue desired to recoup in current year (not less than line 6 for year 2001 nor more than Line 7)			
9. Total current year (2004) locally assessed property [Current (2004) Form A, Line 1]			
10. Rate to be levied to partially or fully recoup the loss [(Line 8 / Line 9) x 100]			
Complete lines 12 and 13 IF Line 9 is less than Line 8			
12. Portion of revenue on Line 7 for year 2005 reserved for second year of recoupment			
13. Portion of revenue on Line 7 for year 2006 reserved for second or third year of recoupment			

Emergency Rules

FORM H COMPUTATION OF RECOUPMENT RATE FOR POLITICAL SUBDIVISIONS OTHER THAN SCHOOL DISTRICTS (2004)

(Name of Political Subdivision)

(Political Subdivision Code)

(Purpose of Levy)

Assessment reductions ordered after tax rates are set may result in a loss of revenue. In certain instances, a separate recoupment rate may be levied in a subsequent year to replace the revenue lost (See Form G). A political subdivision may choose not to fully recoup the revenue lost in one year. A three-year period following the year in which the loss occurred is allowed by statute for recouping the lost revenues. Form H is used to document the revenue remaining to be recouped and the allowable recoupment rate when there is a carry over.

Before completion of this form, Form G must have been completed in a prior year.

COMPUTATION OF RECOUPMENT RATE

1. **Total revenue lost due to assessment reductions from Form G, Line 7** (Form G was completed in a previous year) _____
2. **Revenue recouped in prior years**
 - a. $\frac{[(\text{Assessed Valuation} \times \text{Recoupment Rate}) / 100]}{(\text{Year})}$ _____
 - b. $\frac{[(\text{Assessed Valuation} \times \text{Recoupment Rate}) / 100]}{(\text{Year})}$ _____

Total revenue recouped in prior years
(Line 2a + Line 2b) _____
3. **Revenue remaining to be recouped**
[Line 1 - Line 2 (Total)] _____
4. **Revenue desired to be recouped in the current year**
The law provides for recoupment no further back than the third prior year. For example, if the recoupment rate is being computed for 2004, the revenue lost from 2001 must be recouped or waived. _____
5. **Total current year assessed valuation**
Obtained from the County Assessor or County Clerk
(Form A, Line 1 Total) _____
6. **Recoupment rate for the current year**
[(Line 4 / Line 5) x 100] _____

CERTIFICATION

I, the undersigned, _____ of _____
(Office) (Political Subdivision)
located in _____ do hereby certify that the data set forth above is true and accurate
County(ies)
to the best of my knowledge and belief.

(Signature)

(Date)

(Print Name)

(Telephone)

Emergency Rules

*AUTHORITY: section 137.073.6, RSMo Supp. 2003, as amended by Senate Bill 960, 92nd General Assembly—2004. A version of this rule was previously filed as 15 CSR 40-3.120. Emergency rule filed Sept. 24, 2004, effective Oct. 4, 2004, expires April 1, 2005. An emergency rule covering this same material will be published in the Nov. 1, 2004 issue of the **Missouri Register**.*